

**FCC Form 481 - Carrier Annual Reporting
Data Collection Form**

 FCC Form 481
 OMB's Control No. 3060-0086/OMB Control No. 3060-0859
 July 2011

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name: Person USAC should contact with questions about this data	Delinda Kluser
<035>	Contact Telephone Number: Number of the person identified in data line <030>	5419324413 ext. 0
<039>	Contact Email Address: Email of the person identified in data line <030>	dkluser@ortelco.net

ANNUAL REPORTING FOR ALL CARRIERS	54,313	54,422
	Completion	Completion
	Required	Required

<100>	Service Quality Improvement Reporting	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<200>	Outage Reporting (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<210>	<input checked="" type="checkbox"/> <-- check box if no outages to report		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<300>	Unfulfilled Service Requests (voice)	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<310>	Detail on Attempts (voice)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<320>	Unfulfilled Service Requests (broadband)	0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<330>	Detail on Attempts (broadband)	(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<400>	Number of Complaints per 1,000 customers (voice)		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<410>	Fixed	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<420>	Mobile	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<430>	Number of Complaints per 1,000 customers (broadband)		<input checked="" type="checkbox"/>	<input type="checkbox"/>
<440>	Fixed	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<450>	Mobile	0.0	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<500>	Service Quality Standards & Consumer Protection Rules Compliance	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<510>	520581wa510.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<600>	Functionality in Emergency Situations	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<610>	520581wa610.pdf	(attach descriptive document)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<700>	Company Price Offerings (voice)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<710>	Company Price Offerings (broadband)	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<800>	Operating Companies and Affiliates	(complete attached worksheet)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<900>	Tribal Land Offerings (Y/N)?	(if yes, complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1000>	Voice Services Rate Comparability	(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1010>		(attach descriptive document)	<input type="checkbox"/>	<input type="checkbox"/>
<1100>	Terrestrial Backhaul (Y/N)?	(if not, check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<1110>		(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
<1200>	Terms and Condition for Lifeline Customers	(complete attached worksheet)	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Price Cap Carriers, Proceed to Price Cap Additional Documentation Worksheet

Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers

<2000>		(check to indicate certification)	<input type="checkbox"/>	<input type="checkbox"/>
<2005>		(complete attached worksheet)	<input type="checkbox"/>	<input type="checkbox"/>
Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet				
<3000>		(check to indicate certification)	<input checked="" type="checkbox"/>	<input type="checkbox"/>
<3005>		(complete attached worksheet)	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**(100) Service Quality Improvement Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net
<110>	Has your company received its ETC certification from the FCC?	(yes / no) <input type="radio"/> <input checked="" type="radio"/>
<111>	If your answer to Line <110> is yes, do you have an existing § 54.202(a) "5 year plan" filed with the FCC?	(yes / no) <input type="radio"/> <input type="radio"/>

If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service.

- <112> Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service.

520581wa112.pdf

Name of Attached Document

Please check these boxes below to confirm that the attached document(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate.

- <113> Maps detailing progress towards meeting plan targets
 <114> Report how much universal service (USF) support was received
 <115> How (USF) was used to improve service quality
 <116> How (USF) was used to improve service coverage
 <117> How (USF) was used to improve service capacity
 <118> Provide an explanation of network improvement targets not met in the prior calendar year.

✓
✓
✓
✓

Data Collection Form

OMB Control No. 3060-0986/CMB Control No. 3060-0819

July 2013

<010>	Study Area Code	520591
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324611 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

[illegible]

<010>	Study Area Code	520591
<015>	Study Area Name	BBAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortalc.com

[illegible]

(710) Broadband Price Offerings
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986 / OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	520591
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419326411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

[illegible]

(800) Operating Companies Data Collection Form	FCC Form 481 CMB Control No. 3060-0986/CMB Control No. 3060-0919 July 2013
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<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net
<810>	Reporting Carrier	Skyline Telecom Inc
<811>	Holding Company	North-State Telephone Co
<812>	Operating Company	NA

[illegible]

**(900) Tribal Lands Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	B205#1
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kiuser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkiuser@ortelco.net

<910> Tribal Land(s) on which ETC Serves

--

<920> Tribal Government Engagement Obligation

--

Name of Attached Document

If your company serves Tribal lands, please select (Yes, No, NA) for each these boxes to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to § 54.313(a)(9) includes:

- <921> Needs assessment and deployment planning with a focus on Tribal community anchor institutions.
- <922> Feasibility and sustainability planning;
- <923> Marketing services in a culturally sensitive manner;
- <924> Compliance with Rights of way processes
- <925> Compliance with Land Use permitting requirements
- <926> Compliance with Facilities Siting rules
- <927> Compliance with Environmental Review processes
- <928> Compliance with Cultural Preservation review processes
- <929> Compliance with Tribal Business and Licensing requirements.

Select (Yes, No, NA)

**{1100} No Terrestrial Backhaul Reporting
Data Collection Form**

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

<1120> Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G) ☐

<1130> Please check this box to confirm the reporting carrier offers broadband service of at least 1 Mbps downstream and 256 kbps upstream within the supported area pursuant to § 54.313(G) ☐

(1200) Terms and Condition for Lifeline Customers
Lifeline
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5429324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

520581we1222.pdf

<1210> Terms & Conditions of Voice Telephony Lifeline Plans

Name of Attached Document

<1220> Link to Public Website

HTTP <http://www.uto.wa.gov/consumers/telephone/Pages/telephoneAssistancePrograms.aspx>

"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must annually report:

- <1221> Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers, ☒
- <1222> Details on the number of minutes provided as part of the plan, ☒
- <1223> Additional charges for toll calls, and rates for each such plan. ☒

(2000) Price Cap Carrier Additional Documentation**Data Collection Form***Including Rate-of-Return Carriers affiliated with Price Cap Local Exchange Carriers*

FCC Form 481

OMB Control No. 3050-0984/OMB Control No. 3060-0819

July 2013

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.

Incremental Connect America Phase I reporting

<2010> 2nd Year Certification {47 CFR § 54.313(b)(1)} ☐

<2011> 3rd Year Certification {47 CFR § 54.313(b)(2)} ☐

Price Cap Carrier Receiving Frozen Support Certification (47 CFR § 54.312(a))

<2012> 2013 Frozen Support Certification ☐

<2013> 2014 Frozen Support Certification ☐

<2014> 2015 Frozen Support Certification ☐

<2015> 2016 and future Frozen Support Certification ☐

Price Cap Carrier Connect America ICC Support (47 CFR § 54.313(d))

<2016> Certification Support Used to Build Broadband ☐

Connect America Phase II Reporting (47 CFR § 54.313(e))

<2017> 3rd year Broadband Service Certification ☐

<2018> 5th year Broadband Service Certification ☐

<2019> Interim Progress Certification ☐

<2020> Please check the box to confirm that the attached document(s), on line 2021, contains the required information pursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year. ☐

<2021> Interim Progress Community Anchor Institutions

Name of Attached Document Listing Required Information

(34-3C) State Of Return Carrier Additional Documentation

Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0819

July 2013

<010> Study Area Code	520581
<015> Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035> Contact Telephone Number - Number of person identified in data line <030>	519324411 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dkluser@artelco.net

CHECK the boxes below to note compliance on its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 CFR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.

- (3010) Progress Report on 5 Year Plan
Milestone Certification (47 CFR § 54.313(f)(1)(i))

Name of Attached Document Listing Required Information

- (3011) Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.

☐

- (3012) Community Anchor Institutions (47 CFR § 54.313(f)(1)(ii))

Name of Attached Document Listing Required Information

- (3013) Is your company a Privately Held ROR Carrier (47 CFR § 54.313(f)(2))
(3014) If yes, does your company file the RUS annual report

(Yes/No)
(Yes/No)

☐

Please check those boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires:

- (3015) Electronic copy of their annual RUS reports (Operating Report for Telecommunications Borrowers)

☒

- (3016) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☒

- (3017) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation

Name of Attached Document Listing Required Information

- (3018) If the response is no on line 3014, is your company audited?

(Yes/No)

☐

If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3019) Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications

☐

- (3020) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

☐

- (3021) Management letter issued by the independent certified public accountant that performed the company's financial audit.

☐

If the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:

- (3022) Copy of their financial statement which has been subject to review by an independent certified public accountant; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications Borrowers.

☐

- (3023) Underlying information subjected to a review by an independent certified public accountant

☐

- (3024) Underlying information subjected to an officer certification.

☐

- (3025) Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows

Name of Attached Document Listing Required Information

- (3026) Attach the worksheet listing required information

**Certification - Reporting Carrier
Data Collection Form**

 FCC Form 481
 OMB Control No. 3060-0985/OMB Control No. 3060-0813
 July 2013

<010> Study Area Code	520581
<015> Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035> Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients	
I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate.	
Name of Reporting Carrier: BEAVER CREEK TELEPHONE COMPANY	
Signature of Authorized Officer: CERTIFIED ONLINE	Date
Printed name of Authorized Officer: Delinda Kluser	
Title or position of Authorized Officer: Vice-Pres, General Manager	
Telephone number of Authorized Officer: 5419324411 ext.	
Study Area Code of Reporting Carrier: 520581	Filing Due Date for this form: 07/01/2014
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Certification - Agent / Carrier		FCC Form 421
Data Collection Form		OMB Control No. 3060-0036/OMB Control No. 3060-0819
		July 2013
<010> Study Area Code	520581	
<015> Study Area Name	BEAVER CREEK TELEPHONE COMPANY	
<020> Program Year	2015	
<030> Contact Name - Person USAC should contact regarding this data	Delinda Klusek	
<035> Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.	
<039> Contact Email Address - Email Address of person identified in data line <030>	dklusek@ortelco.net	

TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

Certification of Officer to Authorize an Agent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I certify that (Name of Agent) _____ is authorized to submit the information reported on behalf of the reporting carrier. I also certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual data reporting requirements provided to the authorized agent; and, to the best of my knowledge, the reports and data provided to the authorized agent is accurate.	
Name of Authorized Agent: _____	
Name of Reporting Carrier: _____	
Signature of Authorized Officer: _____	Date: _____
Printed name of Authorized Officer: _____	
Title or position of Authorized Officer: _____	
Telephone number of Authorized Officer: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier	
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipients on behalf of the reporting carrier; I have provided the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information reported herein is accurate.	
Name of Reporting Carrier: _____	
Name of Authorized Agent or Employee of Agent: _____	
Signature of Authorized Agent or Employee of Agent: _____	Date: _____
Printed name of Authorized Agent or Employee of Agent: _____	
Title or position of Authorized Agent or Employee of Agent: _____	
Telephone number of Authorized Agent or Employee of Agent: _____	
Study Area Code of Reporting Carrier: _____	Filing Due Date for this form: _____
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.	

Attachments

Date Collection Form

July 2013

<010>	Study Area Code	520581
<015>	Study Area Name	DEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kinser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@orelco.net

<701> Residential Local Service Charge Effective Date
<702> Single State-wide Residential Local Service Charge

1/1/2014

<703>

[illegible]

[710] Broadband Price Offerings
Data Collection Form

FCC Form 481

OMB Control No. 3060-0986/OMB Control No. 3060-0319
Jul 4 2013

<010>	Study Area Code	520581
<015>	Study Area Name	BEAVER CREEK TELEPHONE COMPANY
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Delinda Kluser
<035>	Contact Telephone Number - Number of person identified in data line <030>	5419324411 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	dkluser@ortelco.net

[illegible]

Five-Year Service Quality Improvement Plan

Study Area Code	520581
Study Area Name	BEAVER CREEK TELEPHONE dba SKYLINE
Program Year	TELECOM
Contact Name	2015
Contact Telephone Number	DELINDA KLUSER
Contact Email Address	541 932 4411
	dkluser@ortelco.net

Skyline Telecom Inc.
FIVE YEAR SERVICE QUALITY IMPROVEMENT PLAN

PREAMBLE

This 5 year improvement plan is a section of the Company's 2014 Annual Report. It is in compliance with § 54.313(a)(1) adopted in the FCC's USF/ICC Transformation Order (11-161). This document also incorporates further clarifications identified in subsequent Reconsideration Orders, as applicable, in effect prior to the filing of the Annual Report.

Skyline Telecom Inc. (Skyline) has carefully developed its improvement plan, concentrating on the delivery and continuation of a robust network which provides, at a minimum, the federally required voice and broadband connectivity as stipulated by regulatory rule. In certain situations (and as noted herein), the plan may also incorporate specific state requirements.

Skyline currently does not receive support from a State Universal Service Fund. A bill was submitted to the Washington State Legislature however it did not pass. Efforts are being made to submit further legislation but it is unclear at this time the outcome of such activity.

Skyline advises that this improvement plan has been carefully crafted, matching measured network deployment, improvement and quality service levels with known financial implications of the Transformation Order upon the company's support cash-flows. The uncertainty of such cash flows being received in the outer-years as a result of current and potential regulatory action on rural rate-of-return carriers has resulted in the Company taking a balanced yet realistic approach.

The environment in which the Company operates remains dynamic, not static. As a result, Skyline reserves the opportunity to modify its plan in response to further regulatory decisions as they are adopted, and their implication upon the Company's financial viability in providing the required services and service level quality becomes known.

Skyline will re-evaluate this plan on an annual basis. Action, however, may also be taken abruptly on the presented plan for both current and outer years in the event of evolving

regulatory conditions and/or changes in technology (vendor)-driven support. All adjustments to the improvement plan in this document will be reflected and explained in subsequent annual reports.

OVERVIEW

Skyline, as an Eligible Telecommunications Carrier (ETC) provides Universal Service supported services to approximately 127 customers covering approximately 30 square miles.

Consistent with Commission requirements, this Service Quality Improvement Plan addresses only Skyline's regulated eligible telecommunications carrier operations.¹ A detailed description of Skyline's plans for the provision of the supported services in the five-year period starting with January 2015 is provided herein.

Per the Universal Service Administrative Company (USAC), for the calendar year 2013, Skyline received a total of \$561,834 (as of 05/29/14) in USF support funds. The breakdown of the funding for the year was:

- \$ 276,852 High Cost Loop Support,
- \$ (32,820) Local Switching Support-Prior Period Adjustment
- \$ 155,508 Connect America Fund-Intercarrier Compensation Support
- \$ 162,294 Interstate Common Line Support
- \$ 0 Safety Net Additive

All funds were used in 2013 to both: 1) maintain, upgrade, and improve the Company's network and, 2) cover its operating expenses and debt commitments as necessary to permit it to offer a high level of service for both voice and broadband throughout its service area.

IMPROVEMENT PLANS BY YEAR (2015-2019 inclusive)

Summary descriptions of network improvements planned for the next five years in accordance with Part 54.202(a)(1)(ii) and Part 54.313(a)(1) by year and by exchange are presented below. Detailed expenditures are summarized in the attached Excel worksheet (Attachment 1). Where available, area and subscribers impacted by the improvements are identified in the worksheet. Costs are broken out by voice and broadband service.

- Network improvement expenditures identify the cost to provide those services supported by the universal service funding mechanisms. When a project involves expenditures for both regulated and non-regulated services, the non-regulated investment costs have been removed. The Company estimates non-regulated costs using the appropriate allocation rules. Details of those costs are retained by the Company and available for inspection.
- Costs are reported only for those service areas in which the Company is authorized to receive USF funding.

Due to the current uncertainty of the amounts of support funds the company may receive in future years, Skyline advises the Commission that the deployment of specific network improvement

¹Per 47 C.F.R. § 54.314, federal USF support, "will be used only for the provision, maintenance, and upgrading of facilities and services for which the support is intended." If investments or expenses are for service areas larger than the supported service areas, then allocations of the expenditures are required.

projects may be modified, and the meeting of projected service goals muted, to accommodate the actual amount of support that will be received.

BASELINE NARRATIVE

Skyline is an independent local exchange carrier providing telecommunications services in Snohomish and Okanogan Counties in the state of Washington. There are approximately 55 households in the Silverton exchange, over a geographic area of 10 sq. miles. The Mt Hull exchange has approximately 150 households over a 20 sq. mile geographic area.

The service territory in the Silverton area is largely National Forest. The central office location serves as the last commercial electric customer in the area. Most households have power provided by generator or possibly solar. All telephone equipment is located on a Federal Right-of Way. Strict regulations must be followed in order to place equipment or buildings in the area. This area receives a considerable amount of moisture each year resulting in lush vegetation. There are few subscribers that live in the area year round. Most of the area is enjoyed in the summer months by those wishing to escape the city and recreationalists. The area has one public and one private campground. RUS funding was used to build-out the network. Repayment of these loans comes from cash flows provided by support payments.

The Mt Hull exchange is located between Tonasket, Washington and the Canadian border. The climate is extreme between seasons. It is hot and dry in the summer while winter provides cold temperatures along with snow and ice. The area is composed of rolling grassy hills which become a fire danger in the summer and fall seasons. Most residents are low income with approximately 30 customers receiving Lifeline assistance.

Skyline serves its subscribers using a soft switch in both exchanges. Skyline was able to procure a fiber backbone earlier this year in the Mt Hull exchange bringing high speed DSL to the area. Subscribers served in this area may receive download speeds up to 6 MB with upload speeds up to 1.5MB.

The Silverton area is currently served by two T-1's. One T-1 provides essential voice services including 911, toll and operator services. The second T-1 provides DSL service with speeds of 512K download and 256K upload. At this time no other services can be procured for this area due to limitations at the meet point with the connecting carrier. All services are copper fed to the area.

The Silverton area does not experience competition from terrestrial nor wireless carriers. Due to the terrain, neither wireless nor satellite technology is an option.

While no terrestrial competitor offers voice and data service throughout the MT Hull service area, competition is limited to wireless carriers in the exchange. The toll network is fiber fed.

There are no public or private schools, hospitals or businesses in either exchange.

SUMMARY DISCUSSION OF PLANS BY YEAR

2015

Vehicles: In 2015 assuming support becomes more predictable and continuing to upgrade remains economically viable Skyline plans to replace one service truck. Because the Company's service area is so large, by necessity significant miles (an average of 30,000 annually) are put on service trucks in order to serve subscribers. To ensure the safety of employees as well as ensuring serviceable vehicles, the Company replaces most fleet vehicles every six years. The vehicle to be replaced in 2015 is expected to cost \$30,000.

Transmission: The Company expects to replace older, existing remotes with newer technology during 2015. The remotes to be replaced are in the Silverton exchange due to the extreme moist conditions. Once these cabinets are upgraded maximum broadband speeds of 3 MB upload and 10 MB download can be achieved if additional backbone can be secured. The estimated cost of these deployments is \$10,500.

General Expenditures: Skyline expects to spend \$4,500 in miscellaneous additions.

2016

DC Rectifier and Battery Upgrades: Skyline's policy is to upgrade emergency and backup power generation capabilities on a rotating basis. Battery life and years in service are evaluated each year and replacements are completed as necessary. Generators and batteries at each Central office and batteries at each DLC or remote are all considered. Rectifiers and inverters are also included. In 2016, assuming support becomes more predictable and continuing to upgrade remains economically viable Skyline has planned on replacing the generator in the MT Hull exchange. The budgeted amount is \$5,000.

Transmission: The Company expects to replace older, existing remotes with newer technology during 2016. The remotes to be replaced are in the MT Hull exchange. Once these cabinets are upgraded maximum broadband speeds of 3 MB upload and 10 MB download can be achieved. The estimated cost of these deployments is \$20,000.

General Expenditures: In 2016 the Company expects to spend \$3,000 in miscellaneous additions.

2017

DC Rectifier and Battery Upgrades: Skyline's policy is to upgrade emergency and backup power generation capabilities on a rotating basis. Battery life and years in service are evaluated each year and replacements are completed as necessary. Generators and batteries at each Central office and batteries at each DLC or remote are all considered. Rectifiers and inverters are also included. In 2017, assuming support becomes more predictable and continuing to upgrade remains economically viable Skyline has planned on replacing the generator in the Silverton exchange. The budgeted amount is \$5,000.

General Expenditures: In 2017 the Company expects to spend \$3,000 in miscellaneous additions.

2018

General Expenditures: In 2018, assuming support becomes more predictable and continuing to upgrade remains economically viable Skyline the Company expects to spend \$7,000 in miscellaneous additions.

2019

General Expenditures: In 2019, assuming support becomes more predictable and continuing to upgrade remains economically viable Skyline the Company expects to spend \$7,000 in miscellaneous additions.

Five-Year Service Quality Improvement Plan

Study Area Code 520581
 Study Area Name BEAVER CREEK TELEPHONE dba SKYLINE TELECOM
 Program Year 2015
 Contact Name DELINDA KLUSER
 Contact Telephone Number 541 932 4411
 Contact Email Address dkluser@ortelco.net

Attachment 1

The Company projects the expenditures, by Part 32 accounts for 2015-2019 related to the above identified projects will be:

	2015	2016	2017	2018	2019
Capital Expenditures					
COE Switching	\$ 5,000	\$ 5,000			
COE Transmission	\$ 10,500	\$ 20,000			
Cable & Wire					
General Support	\$ 34,500	\$ 3,000	\$ 3,000	\$ 7,000	\$ 7,000
Operating Expenditures					
Plant Specific	\$ 212,100	\$ 222,705	\$ 229,386	\$ 236,268	\$ 243,356
Plant Non-Specific	\$ 15,750	\$ 16,538	\$ 17,034	\$ 17,545	\$ 18,072
Depreciation	\$ 186,157	\$ 189,242	\$ 194,919	\$ 200,767	\$ 206,790
Customer Oper	\$ 15,725	\$ 16,486	\$ 16,981	\$ 17,490	\$ 18,015
Corporate Oper	\$ 243,621	\$ 255,802	\$ 263,476	\$ 271,380	\$ 279,522

Service Quality Standards & Consumer Protection Rules Compliance

Study Area Code	520581
Study Area Name	Skyline Telecom Inc
Program Year	2015
Contact Name	Delinda Kluser
Contact Telephone Number	541 932 4411
Contact E-Mail Address	dkluser@ortelco.net

Consumer Protection

Voice & Broadband

Skyline Telecom Inc complies with the requirements of 47 CFR Part 64 Subpart U. Customer Proprietary Network Information and the Federal Trade Commission Red Flag rules to prevent Identity theft. A manual for each of those programs is in place and is part of the employees' handbook. Employee training is conducted annually and new hires are instructed on the programs as required by their job functions.

Service Quality Standards

Voice

Skyline Telecom Inc complies with the service standards of the State of Washington as promulgated in the Washington Administrative Code WAC 480-123-030(1)(h). Skyline Telecom Inc. is committed to providing the highest quality service to its subscribers.

Broadband

Skyline Telecom Inc follows the service standards noted in NECA Tariff #5 and is committed to provide the highest quality service to its broadband customers.

610

Functionality in Emergency Situations

Study Area Code 520581

Study Area Name Skyline Telecom Inc

Program Year 2015

Contact Name Delinda Kluser

Contact Phone Number 541 932 4411

Contact E-Mail Address dkluser@ortelco.net

<u>Exchange</u>	<u>Site Name</u>	<u>Battery Ah</u>	<u>Est Battery Life</u>	<u>Backup Pwr</u>	<u>Fuel Type</u>	<u>Capacity</u>	<u>Est Run Time</u>
Silverton	Silverton Central Office	1400 Ah	67 hrs	Generator	Diesel	100 gal	48 hrs
Mt Hull	Mt Hull Central Office	130 Ah	5 hrs	Generator	Gasoline	5 gal	Indefinite
Mt Hull	Summit Lake AFC Remote	15 Ah	6 hrs	N/A	N/A	N/A	N/A
Mt Hull	Big Rock AFC Remote	15 Ah	6 hrs	N/A	N/A	N/A	N/A
Mt Hull	E7-2 Mt. Hull	170 Ah	11 hrs.	N/A	N/A	N/A	N/A

1200

Terms and Conditions for Lifeline
Customers

Study Area Code	520581
Study Area Name	BEAVER CREEK TELEPHONE dba SKYLINE TELECOM
Program Year	2015
Contact Name	DELINDA KLUSER
Contact Telephone Number	541 932 4411
Contact E-Mail Address	dkluser@ortelco.net

54.313 Lifeline customers MOU and additional toll charges

Lifeline subscribers receive the same residential service as a regular subscriber, but at a reduced monthly recurring rate. Thus, lifeline subscribers have an unlimited number of local calling minutes. As for toll, lifeline subscribers, similar to every Beaver Creek Telephone dba Skyline Telecom subscriber, are free to choose their own toll usage plans through IXC's that serve Beaver Creek Telephone dba Skyline Telecom.

USDA-RUS OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS	This data will be used by RUS to review your financial situation. Your response is required for RUS to determine if you are eligible to borrow funds and to monitor your compliance with the terms of your loan. BORROWER NAME Beaver Creek Telephone Company (Prepared with Audited Data)
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RUS Form 10-100-Submittal report to RUS within 30 days after close of the period. For detailed instructions, see RUS Bulletin 17-14-2. Report in whole dollars only.	PERIOD ENDING December, 2013	BORROWER DESIGNATION WA0546
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CERTIFICATION We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief. ALL INSURANCE REQUIRED BY 7 CFR PART 1788, CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES. DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1788 OF 7 CFR CHAPTER XVII (Check one of the following)	
<input checked="" type="checkbox"/> All of the obligations under the RUS loan documents have been fulfilled in all material respects.	<input type="checkbox"/> There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in the Telecom Operating Report.
3/17/14 DATE	

PART A. BALANCE SHEET					
ASSETS	BALANCE PRIOR YEAR	BALANCE END OF PERIOD	LIABILITIES AND STOCKHOLDERS' EQUITY	BALANCE PRIOR YEAR	BALANCE END OF PERIOD
CURRENT ASSETS			CURRENT LIABILITIES		
1. Cash and Equivalents	204,129	236,095	25. Accounts Payable	91,916	62,608
2. Cash-RUS Construction Fund			26. Notes Payable		
3. Affiliates:			27. Advance Billings and Payments		
a. Telecom, Accounts Receivable	67,728	79,417	28. Customer Deposits	670	410
b. Other Accounts Receivable			29. Current Mat. L/T Debt	165,328	173,879
c. Notes Receivable			30. Current Mat. L/T Debt Rur. Dev.		
4. Non-Affiliates:			31. Current Mat.-Capital Leases		
a. Telecom, Accounts Receivable			32. Income Taxes Accrued	2,288	
b. Other Accounts Receivable			33. Other Taxes Accrued		
c. Notes Receivable			34. Other Current Liabilities		
5. Interest and Dividends Receivable			35. Total Current Liabilities (25 thru 34)	260,702	316,897
6. Material-Regulated			LONG-TERM DEBT		
7. Material-Nonregulated		228	36. Funded Debt-RUS Notes	549,178	481,199
8. Prepayments	1,217	4,800	37. Funded Debt-RTD Notes	323,682	284,937
9. Other Current Assets			38. Funded Debt-FRB Notes		
10. Total Current Assets (1 Thru 9)	273,074	320,540	39. Funded Debt-Other		
NONCURRENT ASSETS			40. Funded Debt-Rural Develop. Loan		
11. Investment in Affiliated Companies			41. Premium (Discount) on L/T Debt		
a. Rural Development			42. Recaptured Debt		
b. Nonrural Development			43. Obligations Under Capital Lease		
12. Other Investments			44. Adv. From Affiliated Companies		
a. Rural Development			45. Other Long-Term Debt	67,232	
b. Nonrural Development			46. Total Long-Term Debt (36 thru 45)	940,092	766,136
13. Nonregulated Investments	2,648	710	OTHER LIAB. & DEF. CREDITS		
14. Other Noncurrent Assets			47. Other Long-Term Liabilities	73,223	75,646
15. Deferred Charges	22,794	21,255	48. Other Deferred Credits		
16. Jurisdictional Differences			49. Other Jurisdictional Differences		
17. Total Noncurrent Assets (11 thru 16)	25,442	21,965	50. Total Other Liabilities and Deferred Credits (47 thru 49)	73,223	75,646
PLANT, PROPERTY, AND EQUIPMENT			EQUITY		
18. Telecom, Plant-in-Service	3,047,888	2,963,014	51. Cap. Stock Outstanding & Subscribed	262,582	262,582
19. Property Held for Future Use			52. Additional Paid-in Capital		
20. Plant Under Construction			53. Treasury Stock		
21. Plant Adj., Nonop. Plant & Goodwill			54. Membership and Cap. Certificates		
22. Less Accumulated Depreciation	1,541,047	1,651,488	55. Other Capital		
23. Net Plant (18 thru 21 less 22)	1,506,841	1,311,526	56. Patronage Capital Credits		
24. TOTAL ASSETS (10+17+23)			57. Retained Earnings or Margins	268,758	313,770
			58. Total Equity (51 thru 57)	531,340	575,352
			59. TOTAL LIABILITIES AND EQUITY (35+40+50+58)	1,305,357	1,654,031
	1,803,357	1,654,031			

Total Equity = 34.78% % of Total Assets

USDA-RUS

BORROWER DESIGNATION

OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS

WAG546

PERIOD ENDING

December, 2013

INSTRUCTIONS- See RUS Bulletin 1744-2

PART B. STATEMENTS OF INCOME AND RETAINED EARNINGS OR MARGINS

ITEM	PRIOR YEAR	THIS YEAR
1. Local Network Services Revenues	33,093	31,676
2. Network Access Services Revenues	741,425	787,200
3. Long Distance Network Services Revenues		
4. Carrier Billing and Collection Revenues		
5. Miscellaneous Revenues		
6. Uncollectible Revenues	(310)	(182)
7. Net Operating Revenues (1 thru 5 less 6)	774,829	819,288
8. Plant Specific Operations Expense	149,325	173,431
9. Plant Nonspecific Operations Expense (Excluding Depreciation & Amortization)	4,522	12,595
10. Depreciation Expense	211,664	211,348
11. Amortization Expense	1,540	1,540
12. Customer Operations Expense		
13. Corporate Operations Expense	265,133	335,617
14. Total Operating Expenses (8 thru 13)	631,094	634,531
15. Operating Income or Margins (7 less 14)	143,734	154,727
16. Other Operating Income and Expenses		
17. State and Local Taxes		
18. Federal Income Taxes	24,841	41,750
19. Other Taxes	9,007	9,096
20. Total Operating Taxes (17+18+19)	33,848	50,846
21. Net Operating Income or Margins (15+16-20)	109,886	133,881
22. Interest on Funded Debt	48,367	43,694
23. Interest Expense - Capital Leases		
24. Other Interest Expense	13,308	7,509
25. Allowance for Funds Used During Construction		
26. Total Fixed Charges (22+23+24-25)	61,675	50,903
27. Nonoperating Net Income	4,726	28,172
28. Extraordinary Items		
29. Jurisdictional Differences		
30. Nonregulated Net Income	(13,882)	(59,136)
31. Total Net Income or Margins (21+27+28+29+30-26)	39,005	44,014
32. Total Taxes Based on Income	20,059	21,678
33. Retained Earnings or Margins Beginning-of-Year	229,753	268,758
34. Miscellaneous Credits Year-to-Date		
35. Dividends Declared (Common)		
36. Dividends Declared (Preferred)		
37. Other Debits Year-to-Date		2
38. Transfers to Patronage Capital		
39. Retained Earnings or Margins End-of-Period [(31+33+34) - (35+36+37+38)]	268,753	312,770
40. Patronage Capital Beginning-of-Year		
41. Transfers to Patronage Capital		
42. Patronage Capital Credits Retired		
43. Patronage Capital End-of-Year (40+41-42)	0	0
44. Annual Debt Service Payments	288,308	216,811
45. Cash Ratio [(14+20-10-11) / 7]	0.5330	0.5767
46. Operating Accrual Ratio [(14+20+26) / 7]	0.9378	0.5987
47. TIER [(31+26) / 28]	1.6324	1.6647
48. DSCR [(31+26+10+11) / 44]	1.5687	1.4197

USDA-RUS		BORROWER DESIGNATION WADS46	
OPERATING REPORT FOR TELECOMMUNICATIONS BORROWERS		PERIOD ENDED December, 2013	
INSTRUCTIONS – See help in the online application.			
PART I – STATEMENT OF CASH FLOWS			
1.	Beginning Cash (Cash and Equivalents plus RUS Construction Fund)		204,129
CASH FLOWS FROM OPERATING ACTIVITIES			
2.	Net Income		44,034
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities			
3.	Add: Depreciation		211,348
4.	Add: Amortization		1,540
5.	Other (Explain)		
Changes in Operating Assets and Liabilities			
6.	Decrease/(Increase) in Accounts Receivable		(11,668)
7.	Decrease/(Increase) in Materials and Inventory		(236)
8.	Decrease/(Increase) in Prepayments and Deferred Charges		(2,044)
9.	Decrease/(Increase) in Other Current Assets		0
10.	Increase/(Decrease) in Accounts Payable		(29,306)
11.	Increase/(Decrease) in Advance Billings & Payments		0
12.	Increase/(Decrease) in Other Current Liabilities		(2,288)
13.	Net Cash Provided/(Used) by Operations		211,348
CASH FLOWS FROM FINANCING ACTIVITIES			
14.	Decrease/(Increase) in Notes Receivable		0
15.	Increase/(Decrease) in Notes Payable		0
16.	Increase/(Decrease) in Customer Deposits		(260)
17.	Net Increase/(Decrease) in Long Term Debt (Including Current Maturities)		(165,905)
18.	Increase/(Decrease) in Other Liabilities & Deferred Credits		2,423
19.	Increase/(Decrease) in Capital Stock, Paid-in Capital, Membership and Capital Certificates & Other Capital		0
20.	Less: Payment of Dividends		0
21.	Less: Patronage Capital Credits Retired		
22.	Other (Explain) Prepay Adjustment		(1,542)
23.	Net Cash Provided/(Used) by Financing Activities		(165,264)
CASH FLOWS FROM INVESTING ACTIVITIES			
24.	Net Capital Expenditures (Property, Plant & Equipment)		94,874
25.	Other Long-Term Investments		1,938
26.	Other Noncurrent Assets & Jurisdictional Differences		0
27.	Other (Explain) Retirement of Assets		(100,507)
28.	Net Cash Provided/(Used) by Investing Activities		(14,095)
29.	Net Increase/(Decrease) in Cash		31,966
30.	Ending Cash		236,095

Revision Date 2018



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH ASPECTS OF
CONTRACTUAL AGREEMENTS AND REGULATORY REQUIREMENTS FOR
TELEPHONE BORROWERS

The Board of Directors
Skyline Telecom, Inc.
Mt. Vernon, OR

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Skyline Telecom, Inc., which comprise the balance sheets as of December 31, 2013 and 2012, and the related statements of revenue and retained earnings, stockholders' equity and changes in cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated February 19, 2014. In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2014, on our consideration of Skyline Telecom, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. No reports other than the reports referred to above related to our audit have been furnished to management.

In connection with our audit, nothing came to our attention that caused us to believe that Skyline Telecom, Inc. failed to comply with the terms, covenants, provisions, or conditions of their loan, grant, and security instruments as set forth in 7 CFR Part 1773, *Policy on Audits of Rural Utilities Service Borrowers*, §1773.33 and clarified in the RUS policy memorandum dated February 7, 2014, insofar as they relate to accounting matters as enumerated below. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding Skyline Telecom, Inc.'s noncompliance with the above-referenced terms, covenants, provisions, or conditions of the contractual agreements and regulatory requirements, insofar as they relate to accounting matters. In connection with our audit, we noted no matters regarding Skyline Telecom, Inc.'s accounting and records to indicate that Skyline Telecom, Inc. did not:

Maintain adequate and effective accounting procedures;

Utilize adequate and fair methods for accumulating and recording labor, material, and overhead costs, and the distribution of these costs to construction, retirement, and maintenance or other expense accounts;

Reconcile continuing property records to the controlling general ledger plant accounts;

Clear construction accounts and accrue depreciation on completed construction;

Record and properly price the retirement of plant;

Seek approval of the sale, lease or transfer of capital assets and disposition of proceeds for the sale or lease of plant, material, or scrap;

Maintain adequate control over materials and supplies;

Prepare accurate and timely Financial and Operating Reports;

Obtain written RUS approval to enter into any contract for the management, operation, or maintenance of the borrower's system if the contract covers all or substantially all of the telephone system;

Disclose material related party transactions in the financial statements, in accordance with requirements for related parties in generally accepted accounting principles;

Record depreciation in accordance with RUS requirements (See RUS Bulletin 183-1, Depreciation Rates and Procedures);

Comply with the requirements for the detailed schedule of deferred debits and deferred credits; and

Comply with the requirements for the detailed schedule of investments.

This report is intended solely for the information and use of the board of directors, management, and the RUS and supplemental lenders and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

Wiggins & Co., PC

Brigham City, Utah
February 19, 2014

Deedee Kluser

From: Form481@usac.org
Sent: Wednesday, June 25, 2014 11:49 AM
To: dkluser@ortelco.net
Subject: Form 481 Certification Confirmation

Congratulations. Your filing has been successfully certified.

Filing Number: 1

Certification Date and Time: Wed Jun 25 14:48:51 EDT 2014

Filing Created By: dkluser@ortelco.net

SAC: 520581

SPIN: 143031039

Carrier: BEAVER CREEK TELEPHONE COMPANY

Program Year: 2015

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